

DORSEY & WHITNEY LLP

250 Park Avenue
New York, New York 10177
Telephone: (212) 415-9200
Facsimile: (212) 953-7201
Michael Foreman (MF 5802)

Attorneys for Ballard Material Products Inc.

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

GENERAL MOTORS CORP., *et al*,

Debtors.

Chapter 11

Case No. 09-50026 (REG)

(Jointly Administered)

**LIMITED OBJECTION OF BALLARD MATERIAL PRODUCTS, INC. TO DEBTORS'
PROPOSED CURE AMOUNTS RELATED TO THE ASSUMPTION AND
ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS**

Ballard Material Products, Inc. ("Ballard"), by its undersigned counsel, hereby submits this limited objection to the proposed amounts represented by the Debtors as the amounts (collectively, the "Cure Amounts") they must pay to cure all defaults under their contracts with Ballard in accordance with 11 U.S.C. § 365(b), as provided pursuant to the Notice of (I) Debtors' Intent to Assume and Assign Certain Executory Contracts, Unexpired Leases of Personal Property, and Unexpired Leases of Nonresidential Real Property and (II) Cure Amounts Related Thereto" dated June 5, 2009 (the "Assumption and Assignment Notice"), to reserve Ballard's rights with respect to the correct Cure Amounts owed with respect to its executory contracts with the Debtors, and in support thereof, respectfully states as follows:

BACKGROUND

1. Ballard provides certain parts to the Debtors pursuant to executory contracts (including all amendments) designated (i) Standard Blanket Contract Number 0LP40000 for part number 000000024207752, (ii) Standard Blanket Contract Number 0LP40001 for part number 000000024207877, and (iii) Standard Blanket Contract Number 0LP40002 for part number 000000024208098 (collectively, together with all contracts, amendments, purchase orders and other agreements by and between Ballard and the Debtors and all documents related thereto, the “Ballard Contracts”).

2. The Debtors commenced their voluntary cases under Chapter 11 of Title 11, United States Code (the “Bankruptcy Code”) on June 1, 2009 (the “Commencement Date”).

3. Pursuant to the Order of this Court, the Debtors delivered the Assumption and Assignment Notice to Ballard because the Ballard Contracts are Assumable Executory Contracts which the Debtors intend to assume and assign to the Purchaser pursuant to the 363 Transactions if and when they are approved by this Court.¹ Together with the Assumption and Assignment Notice, the Debtors provided Ballard with login information to a secured website (the “Contract Website”) containing contract reference numbers and the Debtors’ proposed cure amounts. The Contract Website lists three contracts with Ballard: (i) PO Number PRO0LP40002, BOL 9-2326A, Document Date 5/6/20-09; (ii) PO Number PRO0LP40001, BOL 9-2341A, Document Date 5/26/20-09; and (iii) PO Number PRO0LP40002, BOL 9-2341B, Document Date 5/26/20-09. The Contract Website also states the Contract Cure Amount as \$130,740.59, and states “# of Contracts: 12.”

¹ Capitalized terms used but not defined herein shall have the definition given to such terms in the Assumption and Assignment Notice.

LIMITED OBJECTION

4. Ballard has no objection, generally, to the assumption and assignment of the Ballard Contracts pursuant to the 363 Transaction, provided that all amounts due and owing by the Debtors to Ballard are paid in full, or adequate assurance is provided that all such amounts will be cured promptly. Ballard submits this Limited Objection because it disagrees with the Contract Cure Amount listed on the Contract Website as \$130,740.59. Ballard also reserves all rights to the extent that the Debtors' identification of contracts on the Contract Website differs with the information used by Ballard to identify all of its contracts and agreements with the Debtors, and any issues arising from any such differences.

5. The Contract Cure Amount listed on the Contract Website for the Ballard Contracts does not reflect an agreed-upon price increase which became effective on May 1, 2009. With the price adjustment properly reflected, the correct cure amounts for the Ballard Contracts as of the date hereof total \$168,900.18 (the "Corrected Ballard Cure Amount"). Ballard reserves all rights to the extent that the Debtors modify the Contract Website with respect to the Ballard Contracts, and shall inform the Debtors of any such amendments to the amount actually due and owing to Ballard in connection with the procedures set forth in the Assumption and Assignment Notice (the "Assumption Procedures"), without the need to file an amendment or supplement to this Limited Objection.

6. In addition, the Corrected Ballard Cure Amount does not reflect any additional unpaid amounts owed or that in the future may be owed by the Debtors to Ballard for post-petition deliveries and orders. Ballard notes that Bankruptcy Code Section 365 requires the Debtors to cure, or provide adequate assurance that it will cure promptly, **all** defaults relating to an assumed and assigned contract. Accordingly, Ballard reserves all rights to amend or

supplement this Limited Objection, or to so advise the Debtors in connection with the Assumption Procedures, to the extent that the Debtors owe Ballard additional amounts, not reflected in the Corrected Ballard Cure Amount, for shipments received or ordered by the Debtors on or after the Commencement Date up to the effective date and time of the assumption and assignment of the Ballard Contracts pursuant to the 363 Transaction as approved by order of this Court.

7. Ballard expressly reserves its right to amend or supplement this Limited Objection, to introduce evidence supporting this Limited Objection, to be heard at a hearing with respect to the Limited Objection, to participate in the Assumption Procedures as set forth in the Assumption and Assignment Notice and relevant orders of this Court, and to file additional and/or supplemental objections. Ballard expressly reserves its rights to payment in full of all amounts currently, or which may in the future become, due and owing to Ballard.

WHEREFORE, Ballard respectfully requests that the Court (i) fix the amount due and owing to Ballard under the Ballard Contracts as of the Commencement Date as \$168,900.18, (ii) authorize the Debtors to pay Ballard without further order of the Court any and all additional

cure amounts relating to the Ballard Contracts as they become known, including any and all amounts due and owing on or after the Commencement Date, and (iii) grant such other and further relief as this Court may deem just or proper.

Dated: June 15, 2009
New York, New York

Respectfully Submitted,

DORSEY & WHITNEY LLP

/s/ Michael Foreman

Michael Foreman (MF 5802)
250 Park Avenue
New York, New York 10177
Telephone: (212) 415-9200
Facsimile: (212) 953-7201

Attorneys for Ballard Material Products Inc.

CERTIFICATE OF SERVICE

I, Michael Foreman, being duly sworn, deposes and says:

I am not a party to the action, am over eighteen years of age, and reside in [Nassau County, New York..

On June 15, 2009, I caused to be served a true and correct copy of Ballard Material Products Inc.'s Limited Objection to Debtors' Proposed Cure Amounts Related to the Assumption and Assignment of Certain Executory contracts, by electronic service through CM/ECF and by overnight mail upon the parties listed below.

Dated: June 15, 2009

/s/ Michael E. Foreman
Michael E. Foreman

The Debtors

General Motors Corporation
Cadillac Building
20009 Van Dyke Avenue
Warren, MI 48090-9025
Attn: Warren Command Center, Mailcode 480-206-114

Debtors' Counsel:

Weil, Gotshal & Manges LLP
767 Fifth Avenue
New York, New York 10153
attn: Harvey R. Miller, Esq.
Stephen Karotkin, Esq.
Joseph Smolinsky, Esq.

United States Treasury

The United States Treasury
1500 Pennsylvania Avenue NW – Room 2313
Washington, D.C. 20220
Attn: Matthew Feldman, Esq.

The Purchaser

Cadwalader, Wickersham & Taft LLP
One World Financial Center
New York, NY 10281
Attn: John J. Rapisardi, Esq.

The Official Unsecured Creditors' Committee

Kramer Levin Naftalis & Frankel LLP
1177 Avenue of the Americas
New York, NY 10036
Attn: Kenneth H. Eckstein, Esq.
Thomas M. Mayer, Esq.
Adam Rogoff, Esq.

Export Development Canada

Vedder Price, P.C.
1633 Broadway – 47th Floor
New York, NY 10019
Attn: Michael J. Edelman, Esq.
Michael L. Schein, Esq.

The Office of the United States Trustee:

The Office of the United States Trustee for the Southern District of New York
33 Whitehall Street - 21st Floor
New York, NY 10004
Attn: Diana G. Adams, Esq.